

# **2004 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM (RTIP)**

## **STIP AMENDMENTS AND EXTENSIONS RULES AND PROCEDURES**

### **MTC RESOLUTION No. 3608**



Date: December 17, 2003  
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Attachment 2  
Resolution No. 3608  
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**RTIP  
Regional Transportation Improvement Program  
STIP Amendments / Extensions  
Rules and Procedures**

**December 17, 2003**

**MTC Resolution No. 3608  
Attachment 2**

**Metropolitan Transportation Commission  
Programming and Allocations Section  
<http://www.mtc.ca.gov/funding.htm>**

**RTIP**  
**Regional Transportation Improvement Program**  
**STIP Amendments / Extensions**  
**Rules and Procedures**  
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## **Regional Transportation Improvement Program (RTIP) STIP Amendments / Extensions Rules and Procedures**

### **What is the STIP?**

The State Transportation Improvement Program (STIP) is the State's spending plan for state and federal funding. The STIP is comprised of the Regional Transportation Improvement Program (RTIP) and the Interregional Transportation Improvement Program (ITIP). The program is updated every two years and currently covers a five-year period. STIP funded projects, like all other state and federally funded projects, must be listed in the TIP in order for the sponsor to access the funding. This biennial STIP process is outlined in the attached "STIP Process".

Seventy-five percent (75%) of the funding in the STIP flows to regions by formula through their RTIPs. Regions throughout the state are charged with developing an expenditure plan for the funds. Eligible project types include improvements to state highways, local roads, public transit, intercity rail, pedestrian and bicycle facilities, grade separations, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety.

The remaining 25% of the funding flows to the ITIP, which is a statewide competitive program. This funding is directed to projects that improve interregional transportation. Eligible project types include intercity passenger rail, mass transit guideways, grade separation, and state highways.

### **When are Amendments and Extensions Allowed?**

#### **STIP Amendments**

An amendment may change the cost, scope or schedule of a STIP project and its components. For instance, if the final cost estimate for a project is higher (or lower) than the amount programmed, a STIP amendment may be requested to increase or (decrease) the amount programmed. Or, as a project progresses through project development, it may be time to add the next component or phase. Likewise, if the project schedule is delayed significantly, an amendment may be warranted to request a change in program year of the funding in order to prevent a funding lapse. STIP amendments may also be requested to delete project funding or to add a new project into the STIP.

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**Important Tip:** Once a state fiscal year (July 1 – June 30) has begun, the CTC will not allow STIP amendments to delete or change the funding programmed in that fiscal year. Instead, the project sponsor may request a one-time extension as described below.

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#### **One-time Extension Requests**

SB 45 established deadlines for allocation, contract award, expenditure and reimbursement of funds for all projects programmed in the STIP. The CTC may, upon request, grant a one-time extension to each of these deadlines for up to 20 months. However, the CTC will only grant an extension if it finds that an unforeseen and extraordinary circumstance beyond the

control of the responsible agency has occurred that justifies the extension. Furthermore, the extension will not exceed the period of delay directly attributable to the extraordinary circumstance.

### **Roles and Responsibilities**

The STIP Amendment and Extensions process requires review and approval by various agencies to ensure the action requested is appropriate, and consistent with state statutes, CTC guidance, Caltrans procedures and regional policies. Projects must be included in a county Congestion Management Program (CMP) or county Capital Improvement Program (CIP), and must be consistent with the Regional Transportation Plan (RTP) to be programmed in the RTIP. Therefore, any additions or changes that may impact the priorities established within these documents must be reviewed and approved by the appropriate agency. Furthermore, improperly programmed funds or missed deadlines could result in funding being permanently lost to the region.

***Project sponsors*** are responsible for reviewing and understanding the procedures, guidance and regulations affecting projects programmed in the STIP. Each project manager and the individual responsible for submitting documentation for STIP amendments and extensions must have read and understood these policies and procedures, particularly the CTC STIP Guidelines available on the internet at <http://www.dot.ca.gov/hq/transprog/stip.htm> and the MTC RTIP Policies and Application Procedures posted on the internet at: <http://www.mtc.ca.gov/funding.htm>. Project sponsors are ultimately responsible for ensuring the required documentation is provided to Caltrans by the deadlines established by Caltrans for all allocations, extensions, and additional supplemental funds requests.

***The Congestion Management Agencies/Transportation Authorities*** are responsible for ensuring the packages submitted by the project sponsors are complete, and the proposed changes are consistent with the Regional Transportation Plan (RTP), and Congestion Management Plans (CMPs) or Capital Improvement Program (CIP). The CMAs/TAs check to ensure the proposed changes meet MTC, CTC and other state or federal guidance and regulations. As mentioned in the Guiding Principles of the 2004 RTIP Policies and Procedures, the CMA must consider equitable distribution of projects in accordance with Title VI. Following CMA/TA concurrence of the request, the complete package is forwarded to MTC.

***The Metropolitan Transportation Commission (MTC)***, as the Regional Transportation Planning Agency (RTPA) for the nine counties of the San Francisco Bay Area, provides concurrence for the STIP requests and formally submits all STIP Amendments to Caltrans for approval by the CTC. MTC also verifies compliance with established state and regional policies. Although MTC provides concurrence on extensions, additional supplemental funds requests and some allocation requests, it is the responsibility of the project sponsor, not MTC, to ensure the required documentation is submitted to Caltrans by the established deadlines for these action requests.

*The California Department of Transportation (Caltrans)* processes the requests and makes recommendations to the California Transportation Commission (CTC) in accordance with Department procedures and CTC policies and guidelines.

*The California Transportation Commission (CTC)* approves or rejects the requests based on state statutes and its own established guidance and procedures.

### **Requesting STIP Amendments and Extensions**

As described below, the procedures for processing STIP amendments and extensions vary depending on whether the project is sponsored by Caltrans or a local agency, and whether it has already received STIP funding.

### **Step I: Project Sponsor Requests STIP Amendment or Extension**

#### **For currently programmed Caltrans projects:**

- § Caltrans and the appropriate CMA identify and discuss the issue(s) that may require an amendment or extension and notify MTC Programming and Allocations (P&A) Section staff that a change to the current STIP may be necessary and is being considered.
- § Caltrans and CMA agree on proposed change(s).
- § Where necessary, CMA staff requests policy board approval of proposed change.
- § Once approved by the CMA, CMA notifies Caltrans in writing of the county's concurrence, with a copy sent to MTC P&A.
- § Caltrans requests MTC concurrence for the STIP Amendment/Extension by transmitting the following to MTC P&A:
  - § Letter requesting the STIP Amendment or Extension with explanation and justification of the need for the action with the following attachments:

#### **For a STIP Amendment:**

- § Copy of CMA's letter of concurrence
- § Revised RTIP Application Form – <http://www.mtc.ca.gov/funding.htm>
- § TIP Amendment Form - <http://www.mtc.ca.gov/funding.htm>
- § A construction 'STIP History' for each amendment that would delay the year of construction. The 'STIP History' outlines the project's construction history as programmed in the STIP with particular attention to any previous delays and reason for the previous and current delay. It must note the original inclusion of the project construction component in the STIP and each prior project construction STIP amendment delay including for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delay. It must also include a statement on the financial impact of the construction delay on the project, and an estimated funding source for the additional funds necessary to complete the project under the delayed schedule. (A STIP History is only required for amendments to delay the year of construction.)

**For an Extension:**

- § Copy of CMA's letter of concurrence
- § A construction 'STIP History' for each extension that would delay construction as described above for a STIP Amendment.

**For currently programmed local projects:**

- § Sponsor and the appropriate CMA identify and discuss the issue(s) that may require an amendment or extension and notify Caltrans and MTC Programming and Allocations Section staff that a change to the current STIP may be necessary and is being considered.
- § Sponsor and CMA agree on proposed change(s).
- § Sponsor requests CMA concurrence for the STIP Amendment/Extension by submitting the following to the CMA:
  - § Letter requesting the STIP Amendment or Extension with explanation and justification of the need for the action with the following attachments:

**For a STIP Amendment:**

- § Revised RTIP Application Form - <http://www.mtc.ca.gov/funding.htm>
- § TIP Amendment Form - <http://www.mtc.ca.gov/funding.htm>
- § A construction 'STIP History' for each amendment that would delay the year of construction. The 'STIP History' outlines the project's construction history as programmed in the STIP with particular attention to any previous delays and reason for previous and current delay. It must note the original inclusion of the project construction component in the STIP and each prior project construction STIP amendment delay including for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delay. It must also include a statement on the financial impact of the construction delay on the project, and an estimated funding source for the additional funds necessary to complete the project under the delayed schedule. (A STIP History is only required for amendments to delay the year of construction.)
- § Any other documentation required by the CMA or Caltrans

**For an Extension:**

- § Copy of completed Request for Time Extension form (located on the internet at: <http://www.dot.ca.gov/hq/LocalPrograms>).
- § A construction 'STIP History' for each extension that would delay construction, as described above for a STIP Amendment.
- § Any other documentation required by the CMA or Caltrans
- § Where necessary, CMA staff requests policy board approval of proposed request.
- § Sponsor submits Caltrans' "Request for Time Extension" form and any other required documentation to Caltrans.

- § CMA requests MTC concurrence for the STIP Amendment/Extension by transmitting a letter to MTC P&A requesting the STIP Amendment or Extension with explanation and justification of the need for the action along with the documentation submitted by the project sponsor. A copy of the request is also sent to Caltrans.

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**Important Tip:** For STIP Extensions, the CTC will only grant an extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. Furthermore, the extension will not exceed the period of delay directly attributable to the extraordinary circumstance, up to a maximum of 20 months. It is therefore absolutely necessary that the letter and supporting documentation clearly explains and justifies the extension request. Failure to provide adequate justification could result in an extension not being approved.

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**For all new projects:**

- § Sponsor and the appropriate CMA identify and discuss the issue(s) that may require a new project to be added to the STIP and notify Caltrans and MTC Programming and Allocations (P&A) Section staff an amendment to the current STIP may be necessary and is being considered.
- § Sponsor and CMA agree on proposed addition.
- § Sponsor requests CMA concurrence for the STIP Amendment by submitting the following to the CMA:
- § Letter requesting the STIP Amendment with explanation and justification of the need for the project to be added to the STIP.
  - § TIP Amendment form - <http://www.mtc.ca.gov/funding.htm>
  - § RTIP Application form including: - <http://www.mtc.ca.gov/funding.htm>
    - § Resolution of local support
    - § Project nomination fact sheet (with maps)
    - § Project nomination fund sheet
    - § Local agency certification of assurances
    - § Project Study Report (PSR), or equivalent.
    - § Copy of State-Only Funding Request Exception Form (Only if requesting state-only funding and project is not on pre-approved state-only eligible funding list. Original request is to be submitted directly to Caltrans HQ Budgets for processing and approval prior to MTC submittal of the request to Caltrans/CTC).
- § CMA staff obtains policy board approval of proposed addition.
- § CMA requests MTC concurrence for the new project by transmitting a letter to MTC P&A requesting the STIP Amendment with an explanation and justification of the need for the project along with a copy of the CMA Resolution approving the project, and the documentation listed above provided by the project sponsor:



## **Step 2 : MTC Review and Concurrence**

- § Once a complete request has been received, MTC P&A staff will place the request on the MTC Programming and Allocations Committee (PAC) meeting agenda for concurrence of major changes, or prepare a letter of concurrence for the Executive Director's signature for minor changes.
- § Following approval by PAC and/or the Executive Director, MTC will sign Caltrans' Request for Time Extension form and send it with a Letter of Concurrence to Caltrans District 4 with a copy to the appropriate CMA. (District 4 will ensure that the request is copied to the appropriate contacts at Caltrans Headquarters and CTC.)

## **Major versus minor changes**

- § All major changes, including any requests to program a new project, will be presented to MTC's Programming and Allocations Committee (PAC) to determine MTC's concurrence. Major changes include:
    - § request to program a new project (or delete a project)
    - § schedule delay that affects air quality conformity analysis
    - § project advance with reimbursement or replacement project per AB 3090
    - § request to use Grant Anticipation Revenue Vehicle (GARVEE) financing
  - § For minor changes, MTC staff may write a letter of concurrence for the Executive Director's signature. Minor changes include:
    - § Extension requests for allocation, award, expenditure and reimbursement/project completion deadlines
    - § schedule changes, except where change implies major cost or delivery ramifications
    - § changes in implementing agency or project sponsor
    - § changes to project budget that are less than 20% of the total project cost or less than \$1 million.
    - § redirection of funds from one project component to another (e.g. from project engineering into environmental)
    - § changes considered routine and not impacting project delivery
- \* Amendments or extensions based on new federal or state requirements may need to go to MTC's PAC

## **Additional/Supplemental Funds**

On occasion it may be necessary to provide additional 'Supplemental' funding to a project as a result of cost increases or revised cost estimates. There are several different processes to follow depending on where the project is within its delivery schedule. The various methods to add STIP funding to a project are as follow:

**Biennial STIP Cycle:** If additional funding is identified years before the actual allocation, the project sponsor may request the funding through the biennial STIP adoption process. This process is outlined in MTC's RTIP Policies and Application Procedures.

**STIP Amendment:** If additional funding is identified prior to the allocation of funds, but is required prior to the next biennial STIP adoption, a STIP amendment adding the funds to the project may be requested as outlined in the STIP Amendment procedures above. However, in most cases the additional funds could be added at the time of allocation, thus foregoing the STIP amendment process.

**Additional Funds at Time of Allocation:** Often the simplest way to add supplemental funds is at the time of allocation. The process is the same as the procedures outlined above for a time extension, except that instead of a "Request for Time Extension" form, a "Request for STIP Funding Allocation" form is used (located on the internet at: <http://www.dot.ca.gov/hq/LocalPrograms>). In such circumstances, Caltrans does not have delegated allocation authority to allocate unprogrammed funds for a project, and therefore the additional funding must be approved by the CTC.

**Additional Funds After Allocation:** It may be necessary to seek additional funds after an allocation, either to award the project or due to unforeseen cost increases while the project is under construction. In either case, an analysis should be performed to determine whether re-engineering could achieve cost reductions to accommodate the increase. If additional funds are still necessary, a funding source outside the STIP should be pursued prior to seeking additional STIP funding. If it is determined that additional STIP funds are needed, then the project sponsor should proceed as with the procedures outlined for "Additional Funds at Time of Allocation". It should be noted that once the funds are allocated, the project sponsor does not have the option to add the funds through a STIP amendment since the CTC does not allow amendments to change the programming for a given component after the funds have been allocated.

### **Allocation of Funds**

Project sponsors request an allocation of funds directly to Caltrans, with Caltrans either allocating the funds under its delegated allocation authority or placing the request on the CTC Agenda for approval. In either case, the completed request package is due to Caltrans 60 days prior to the anticipated allocation of funds. In general MTC is not involved with the allocation process, however, under a few circumstances MTC concurrence is required as noted below:

**Local Road Rehabilitation Projects:** Allocation of funds for local road rehabilitation projects requires certification from MTC. Project sponsors should submit the "Pavement Management System Certification" form with the "Local Road Rehabilitation Project Certification" form attached (both found on the internet at: <http://www.dot.ca.gov/hq/LocalPrograms/lam/forms/locgrnt.htm>) directly to MTC for signature. MTC will then transmit the signed form to Caltrans District 4 – Local Programs. All other allocation request documentation should be sent directly to Caltrans District 4 – Local Programs.

**Allocation of State-Only Funds:** MTC concurs with all State-Only Funds allocations that are listed in the STIP as State-Only.

**Funds Allocated Differently than Programmed:** In some instances it may be necessary to allocate funds differently from what is programmed in the STIP. These situations generally still require MTC concurrence. Fortunately a STIP amendment may not be required, and the funding may be revised at the time of the allocation, thus avoiding the long STIP amendment process. However, A TIP amendment is still required if federal funds are involved. Changes that are allowed at the time of allocation are noted below, however, project sponsors should consult with Caltrans District 4 Local Programs, the CMA and/or MTC to determine whether a change at the time of allocation is permissible before preparing the allocation request.

- § Change in implementing agency
- § Cost savings (allocation less than program amount)
- § Redirection of funds among project components or phases within the project as long as total STIP funding is not increased.
- § Advancement of funding from future years (transit projects with funds to be transferred to FTA require a TIP amendment to advance funds)
- § Change in funding type (a change to state-only funding requires approval from Caltrans with their "State-Only Funding Request Exception" form if the project type is not on the pre-approved state-only eligible funding list).

**STP/CMAQ/TEA Match Reserve:** Project sponsors must work with the applicable CMA/TA to obtain programming approval for STP/CMAQ/TEA match made available in the STIP. The CMA develops a countywide list for the use of the reserved funds and submits the list to MTC, who in turns provides Caltrans with the region-wide Match Program. Any deviation from this program, whether in the funding amount, project sponsor, or funding year, requires the CMA to resubmit an updated plan for the county to MTC. Caltrans cannot allocate the matching funds if they are inconsistent with the approved STIP - STP/CMAQ/TEA Match Program.

**Funds allocated as programmed in the STIP:** The allocation of funds as they are programmed in the STIP and TIP do not involve MTC, other than as noted previously. Project sponsors work directly with Caltrans District 4 local programs in obtaining the allocation.

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**Important Tip:** Although some minor changes in the allocation of funds may not require a full STIP amendment, most changes still require MTC concurrence, and possibly a TIP amendment and may even require a vote of the CTC rather than a simple Caltrans delegated allocation approval. Project sponsors are encouraged to consult with the CMA, and Caltrans District 4 prior to preparing any allocation request, to ensure sufficient time is allowed for processing the allocation request, particularly toward the end of the year when the Timely Use of Funds provisions of SB 45 are of critical concern.

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### **Timeline for STIP Amendment/Extension Approval**

Completed documentation requesting MTC concurrence must be received by MTC staff no later than the first day of the month prior to the month in which the request will be heard by the Programming and Allocations Committee (PAC). (For example, requests received by January 1 will be reviewed at the February PAC meeting). Subsequently, requests with completed documentation and MTC concurrence must be submitted to the Caltrans District Office 60 to 90 days prior to the CTC meeting where the item will be considered. Therefore, requests for concurrence need to be submitted to MTC generally 150 days prior to CTC action for STIP Amendments and 120 days prior to CTC action for extensions.

For example, a STIP amendment request to delay funding in the next fiscal year is due to MTC by January 1, so it may be approved at the February PAC Meeting, and then submitted to Caltrans in time for the 60-day due date of March 2, so it may be noticed at the May 2 CTC meeting for action at the June 6 CTC meeting.

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**Important Tip:** The CTC will not amend the STIP to delete or change the funding for any project component after the beginning of the fiscal year in which the funding is programmed. Therefore, all amendments to delay a project component must be approved by the CTC by the June meeting in the year prior to the programmed year of funding. To meet this deadline, amendments to delay delivery must be submitted to MTC no later than January 1 of the fiscal year prior to the fiscal year of the funding subject to delay.

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A due date schedule is prepared each year for the submittal of STIP requests. This schedule is posted on the internet at: <http://www.mtc.ca.gov/funding.htm>

### **STIP Amendment Form/TIP Amendment Form**

The forms necessary to initiate the STIP Amendment process may be downloaded from the MTC website at: <http://www.mtc.ca.gov/funding.htm>. The STIP nomination Fact and fund sheets posted on the Caltrans website should not be used for RTIP projects within the MTC region.

### **Contacts for STIP amendments/extensions:**

Name	Area	Phone	Email
Kenneth Folan	STIP	510.464.7804	kfolan@mtc.ca.gov
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